

The Venture Capital Forum
Presented by the Venture Group of Arkansas
Peabody Hotel, Little Rock, AR
May 21, 2002

Executive Summary Guidelines

**For companies who would like to be considered
to be selected to make presentations
Due by March 20, 2002**

For consideration to present at the **Arkansas Venture Capital Forum**, companies must present one copy of an Executive Summary which meets the following requirements:

- Maximum of five (5) pages including any tables, graphs, photos and financial projections
- Minimum 12-point font size

Please include a cover page listing the following (Very Important):

- Company Name
- Contact person
- Address
- Telephone numbers - fax numbers and E-Mail address

The cover page will NOT be counted when determining the five-page limit.

The criteria weights for selecting the presenting companies were developed by sophisticated investors from around the country and indicate what emphasis investors place on various parts of your Executive Summary

The summary should highlight the most important points of your business that will convince potential investors that your venture will succeed.

The Company (10% Weight)

- Define business purpose
- Provide summary of your company's history and current status, including whether the company is publicly or privately held.
- State overall corporate strategy and objectives (i.e. to go public, to command a certain market share or reach a given level of sales in an established time frame, etc.)

The Products or Services (20% Weight)

- Describe important features and benefits – relate to market needs and to the competition.
- Describe existing products and status of new products (project release dates, expected product life, potential revenues etc.)
- Discuss pricing and margins for both your products and your competitors products
- Explain proprietary position – trademarks, patents, trade secrets, special production skills, process etc.
- Articulate any relevant regulatory or environmental issues

Page Two
Executive Summary Guidelines
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The Market and Marketing Strategy (30% Weight)

- Market analysis – size, anticipated growth, key changes, trends, etc.
- Market strategy – How are you going to reach the market? What are your channels and costs of distribution, promotion, pricing etc?
- Product/service – what makes you different? What gives you a special advantage?
- Evaluate competition – Who are they? How much of the market do they control? What are their advantages/disadvantages?
- Discuss the issues or circumstances that drive or create the market – What compels people to buy?

Management (30% Weight)

- Give brief backgrounds of key individuals – Specifically why they add value to the company, their past successes and achievements, etc.
- History of working together as a team.
- Identification of immediate and future personnel needs and initial organizational structure.

Financial Summary (10% Weight)

- Provide revenues, income and expenses projected over 3-5 year period. Justify your financial assumptions. Include any past financial history.
- Define funding requirements – How much is needed at each stage of development within the next five years.
- Describe the history of previous investments
- Indicate an exit strategy (I.e., mergers, acquisitions or initial public offerings). Compare with similar businesses and their results.

Please note the marketing strategy and the quality of the management team are the most heavily weighted elements of your Executive Summary.

For additional information, please contact either Leslie Lane, (501) 324-8755 or Tim McFarland, (870) 365-3700. Upon completion of your executive summary, please forward to either Les Lane or Tim McFarland at les.lane@mail.state.ar.us or tim.mc@mcgfs.com respectively.

Please forward this application to anyone who may be interested.